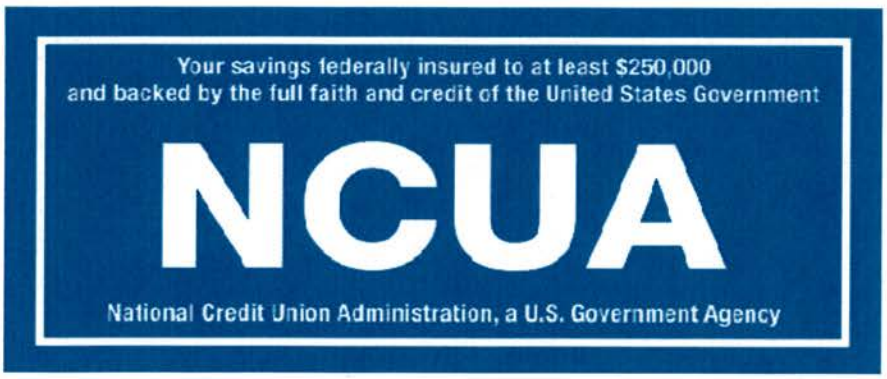
NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY AND UNAUDITED FINANCIAL HIGHLIGHTS
August 31, 2012

Mary Ann Woodson

MARY ANN WOODSON
CHIEF FINANCIAL OFFICER

NATIONAL CREDIT UNION SHARE INSURANCE FUND

PRELIMINARY AND UNAUDITED BALANCE SHEET
As of August 31, 2012
(Dollars in thousands)

	August 2012	July 2012	August 2011
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	$ 1,328	$ 561	$ 518
Investments, Net U.S. Treasury Securities	10,987,575	11,156,735	11,230,452
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	14,862	14,974	16,203
Accounts Receivable, Other	252	783	-
Accrued Interest Receivable, Investments	58,513	78,612	69,037
Total Intragovernmental Assets	11,062,530	11,251,665	11,316,210
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	-	-	1
General Property, Plant, and Equipment, Net	5	7	25
Capital Note Receivable, Net	70,000	70,000	-
Accrued Interest Receivable	484	175	-
Other - Investments	184,686	-	-
Other - Receivable from Asset Management Estates, Net	259,506	264,139	126,527
Total Public Assets	514,681	334,321	126,553
TOTAL ASSETS	$ 11,577,211	$ 11,585,986	$ 11,442,763
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	$ 901	$ -	$ -
Total Intragovernmental Liabilities	901	-	-
PUBLIC			
Accounts Payable	3	25	1,352
Other - Insurance and Guarantee Program Liabilities (Reserves)	632,349	632,572	1,000,028
Total Public Liabilities	632,352	632,597	1,001,380
TOTAL LIABILITIES	633,253	632,597	1,001,380
NET POSITION			
Contributed Capital	7,950,073	7,950,085	7,578,300
Cumulative Result of Operations	2,993,885	3,003,304	2,863,083
Total Net Position	10,943,958	10,953,389	10,441,383
			-
TOTAL LIABILITIES AND NET POSITION	$ 11,577,211	$ 11,585,986	$ 11,442,763

NCUSIF FINANCIAL HIGHLIGHTS
August 31, 2012

Balance Sheet:

Other - Investments: consists of $184.7 million in commercial loans, maturities through December 31, 2017.

Other - Insurance and Guarantee Program Liabilities (Reserves): is $632.3 million as August 31, 2012. $151.8 million is for specific natural person credit unions and $480.5 million is for non-specific natural person credit unions.

Cumulative Results of Operations: decreased by $9.4 million for the month of August. This change is due to net income earned by the fund for the month of $5.6 million and an unrealized loss on available-for-sale U.S. Treasury Securities of $15.0 million.

Statement of Net Cost:

For the month of August 2012, the fund earned net income of $5.6 million. The NCUSIF recognized gross revenues of $17.2 million and total operating expenses of $11.8 million. The fund also realized a reduction in insurance loss expense of $0.2 million.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST
For the Periods Ending August 31, 2012
(Dollars in thousands)

	August 2012	CY to Date 2012	CY to Date August 2011
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	$ 6,494	$ 49,785	$ 47,763
Employee Benefits	2,050	15,542	13,756
Travel	1,367	9,996	9,395
Rent, Communications, and Utilities	277	2,033	1,697
Administrative Costs	811	5,157	5,314
Contracted Services	760	5,911	6,201
AMAC Expense	-	356	63
Training Expense	46	580	742
Leasing Expense	2	87	13
Other Insurance Expense	4	36	764
Total Operating Costs	11,811	89,483	85,708
			-
INSURANCE LOSS EXPENSE	(223)	35,993	(160,354)
Total Gross Costs	11,588	125,476	(74,646)
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(24)	(200)	(235)
Interest Revenue - Other	(123)	(824)	-
Other Revenue	-	(3,661)	-
Insurance and Guarantee Premium Revenue	-	-	(45)
Total Exchange Revenue	(147)	(4,685)	(280)
TOTAL NET COST/(INCOME) OF OPERATIONS	11,441	120,791	(74,926)
LESS NON-EXCHANGE REVENUES			
Investment Income	(17,022)	(140,358)	(152,207)
Total Non-Exchange Revenues	(17,022)	(140,358)	(152,207)
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	(5,581)	(19,567)	(227,133)

NATIONAL CREDIT UNION SHARE INSURANCE FUND

PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
August 31, 2012
(Dollars in thousands)

NET POSITION BREAKDOWN	August 2012	July 2012	August 2011
CU Contributed Capital	$ 7,950,073	$ 7,950,085	$ 7,578,300
Retained Earnings	2,552,527	2,546,946	2,411,637
Total Net Position without Unrealized Gain/Loss	10,502,600	10,497,031	9,989,937
Unrealized Gain/(Loss) - Investments	441,358	456,358	451,446
NET POSITION	$ 10,943,958	$ 10,953,389	$ 10,441,383

Comparative Analysis of NCUSIF Ratios for August 2012

	August 2012	July 2012	August 2011
Investments/Total Assets	94.91%	96.30%	98.14%
Total Equity/Insured Shares (1)	1.26%	1.26%	1.28%
Available Assets Ratio	1.24%	1.26%	1.31%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Actual Insured Shares as of June 30, 2012	834,267,557,427
Actual Insured Shares as of December 31, 2011	795,287,721,573
Actual Insured Shares as of June 30, 2011	782,422,299,428

(1) The July and August 2012 ratio is based on an actual insured share level of $834.3 billion as of June 30, 2012. Collection of the 1% capitalization deposit adjustment associated with the share growth to be collected in September, would raise the equity ratio to 1.30%.

(1) The August 2011 Equity Ratio was based on an actual insured share level of $782 billion as of June 30, 2011.

Figure 1

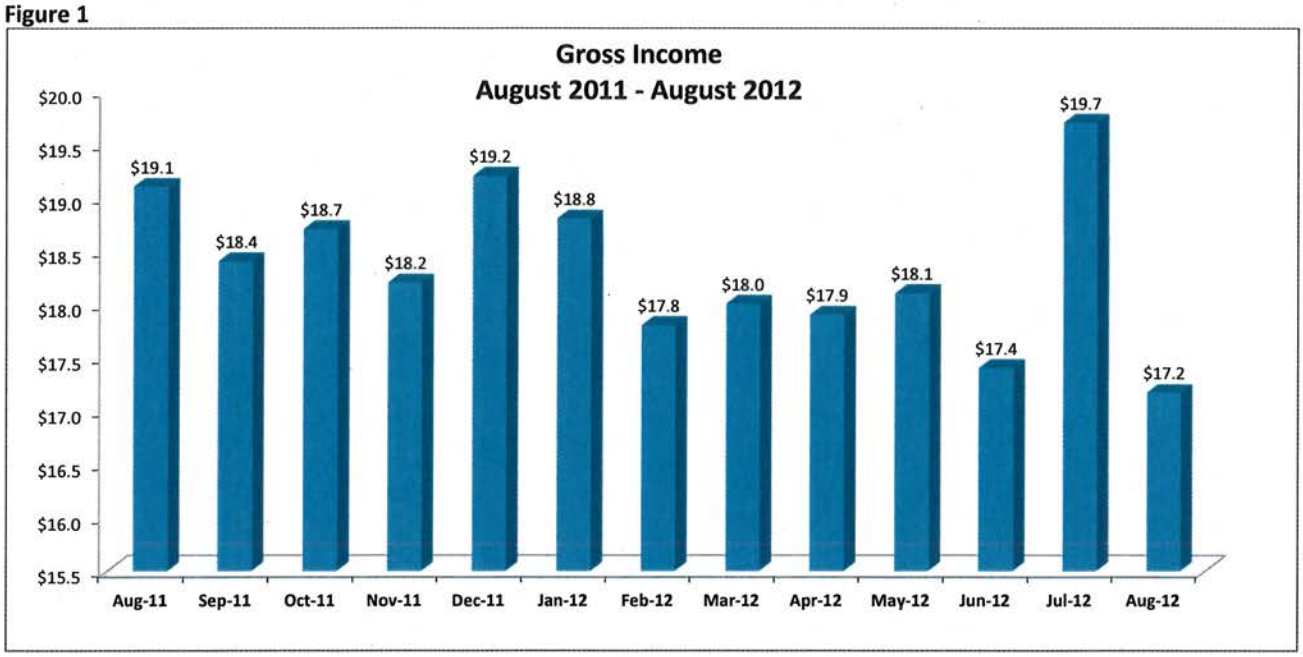
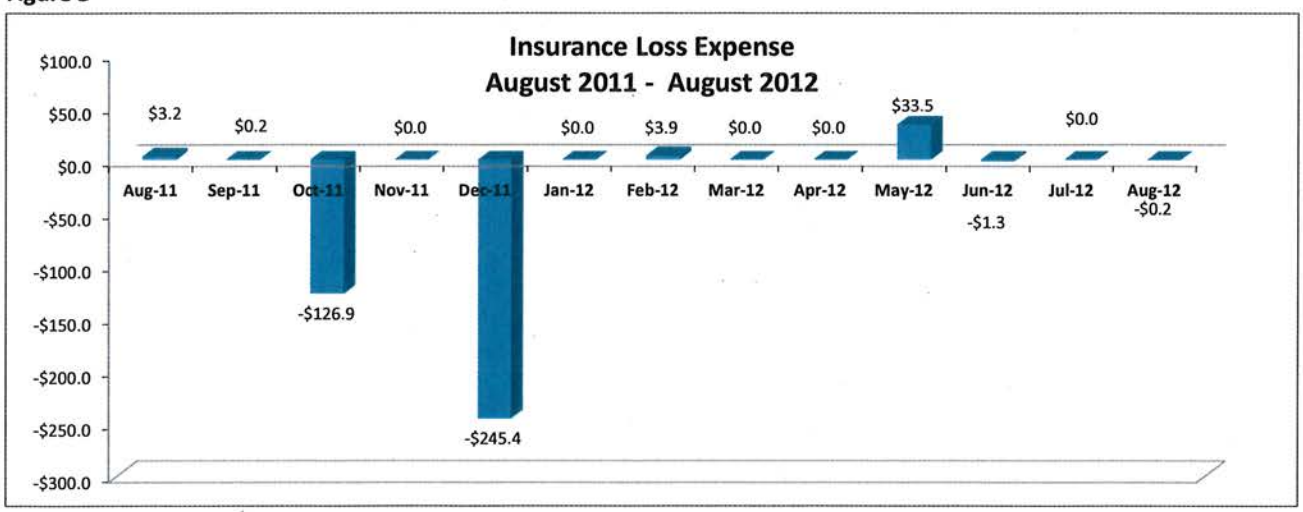


Figure 2

Figure 3



INVESTMENT PORTFOLIO SUMMARY
August 31, 2012

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	$ 657,285,000	$ 657,285,000	$ -	100.00%	0.10%
U.S. Treasury Notes	9,888,932,273	10,330,290,318	441,358,045	104.46%	2.01%
Total	**$ 10,546,217,273**	**$ 10,987,575,318**	**$ 441,358,045**	**104.18%**	**1.88%**

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.88%	1.88%	1.94%
Investment Income	$ 17,100,999	$ 17,022,804	$ 140,359,150
Weighted Avg. Maturity in Days	1,056	1,042	

III. MONTHLY ACTIVITY				
Purchased	Type	Amount	Maturity	Yield
N/A				
TOTAL		**$ -**		

IV. MATURITY SCHEDULE (par value in millions)	
Overnight	$ 657
1 month - 6 months	1,000
6 months - 1 year	800
1 year - 2 years	1,450
2 years - 3 years	1,920
3 years - 4 years	2,050
4 years - 5 years	1,250
5 years - 10 years	1,200
TOTAL	**$ 10,327**